AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 551

Introduced by Assembly Member Nazarian

February 23, 2015

An act-relating to rental property: to amend Section 1942.5 of, to amend and renumber Section 1954.1 of, and to add Chapter 2.5 (commencing with Section 1954.1) of Title 5 of Part 4 of Division 3 of, the Civil Code, relating to tenancy.

LEGISLATIVE COUNSEL'S DIGEST

AB 551, as amended, Nazarian. Rental property: bedbugs. bed bugs. Existing law imposes various obligations on landlords who rent out residential dwelling units, including the general requirement that the building be in a fit condition for human occupation. Among other responsibilities, existing law requires a landlord of a residential dwelling unit to provide each new tenant who occupies the unit with a copy of the notice provided by a registered structural pest control company, as specified, if a contract for periodic pest control service has been executed.

This bill would express the intent of the Legislature to enact legislation that would adopt statewide standards to govern the responsibility of landlords and tenants for the inspection and control of bedbugs in residential rental properties.

This bill would prescribe the duties of landlords and tenants with regard to the treatment and control of bed bugs. The bill would require a landlord to provide a prospective tenant, on and after July 1, 2016, and to all other tenants by January 1, 2017, information about bed bugs, as specified. The bill would prohibit a tenant from knowingly

 $AB 551 \qquad \qquad -2 -$

bringing items onto a property and would require a tenant who finds a bed bug infestation to notify his or her landlord within 7 days if he or she finds or reasonably suspects a bed bug infestation. The bill would require a landlord to retain services of a pest control operator, as defined, within 3 days of notification, and would prescribe requirements for entries into dwelling units for purposes of inspection. If an infestation is confirmed, the bill would require that the landlord provide notice of the findings within 48 hours and that the landlord contract with a pest control operator to prepare and implement a bed bug treatment program within a reasonable time, as specified. The bill would require a landlord to provide affected tenants with specified information in connection with the treatment plan and would require tenants to fulfill responsibilities for unit preparation before a scheduled treatment, be responsible for the management of their belongings, and to vacate their units. The bill would require a landlord, after a bed bug infestation is confirmed, to prepare a written bed bug management plan, which would be available to tenants. The bill would prescribe requirements for the disposal of items infested by bed bugs.

The bill would prohibit a landlord from renting or leasing a vacant dwelling unit that the landlord knows, or reasonably should know, has a bed bug infestation. The bill would provide that an eviction proceeding to enforce tenant responsibilities is not retaliation and that a property undergoing a bed bug treatment is not, with respect to bed bugs, to be considered substandard or untenantable. The bill would specify that a landlord or tenant may sue for injunctive relief for violations of its provisions. The bill would prohibit a landlord from being held liable for delays in bed bug treatment and control that are outside his or her control. The bill would state the intent of the Legislature to occupy the field with regard to this topic and would prohibit cities, counties, and other local entities from enacting a local law relating to this issue, except as specified.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1942.5 of the Civil Code is amended to 2 read:
- 3 1942.5. (a) If the lessor retaliates against the lessee because
- 4 of the exercise by the lessee of his rights under this chapter or

-3— AB 551

because of his complaint to an appropriate agency as to tenantability of a dwelling, and if the lessee of a dwelling is not in default as to the payment of his rent, the lessor may not recover possession of a dwelling in any action or proceeding, cause the lessee to quit involuntarily, increase the rent, or decrease any services within 180 days of any of the following:

- (1) After the date upon which the lessee, in good faith, has given notice pursuant to Section 1942, has provided notice pursuant to Section 1954.14, or has made an oral complaint to the lessor regarding tenantability.
- (2) After the date upon which the lessee, in good faith, has filed a written complaint, or an oral complaint which is registered or otherwise recorded in writing, with an appropriate agency, of which the lessor has notice, for the purpose of obtaining correction of a condition relating to tenantability.
- (3) After the date of an inspection or issuance of a citation, resulting from a complaint described in paragraph (2) of which the lessor did not have notice.
- (4) After the filing of appropriate documents commencing a judicial or arbitration proceeding involving the issue of tenantability.
- (5) After entry of judgment or the signing of an arbitration award, if any, when in the judicial proceeding or arbitration the issue of tenantability is determined adversely to the lessor.

In each instance, the 180-day period shall run from the latest applicable date referred to in paragraphs (1) to (5), inclusive.

- (b) A lessee may not invoke subdivision (a) more than once in any 12-month period.
- (c) It is unlawful for a lessor to increase rent, decrease services, cause a lessee to quit involuntarily, bring an action to recover possession, or threaten to do any of those acts, for the purpose of retaliating against the lessee because he or she has lawfully organized or participated in a lessees' association or an organization advocating lessees' rights or has lawfully and peaceably exercised any rights under the law. In an action brought by or against the lessee pursuant to this subdivision, the lessee shall bear the burden of producing evidence that the lessor's conduct was, in fact, retaliatory.
- (d) Nothing in this section shall be construed as limiting in any way the exercise by the lessor of his or her rights under any lease

AB 551 —4—

or agreement or any law pertaining to the hiring of property or his or her right to do any of the acts described in subdivision (a) or (c) for any lawful cause. Any waiver by a lessee of his or her rights under this section is void as contrary to public policy.

- (e) Notwithstanding subdivisions (a) to (d), inclusive, a lessor may recover possession of a dwelling and do any of the other acts described in subdivision (a) within the period or periods prescribed therein, or within subdivision (c), if the notice of termination, rent increase, or other act, and any pleading or statement of issues in an arbitration, if any, states the ground upon which the lessor, in good faith, seeks to recover possession, increase rent, or do any of the other acts described in subdivision (a) or (c). If the statement is controverted, the lessor shall establish its truth at the trial or other hearing.
- (f) Any lessor or agent of a lessor who violates this section shall be liable to the lessee in a civil action for all of the following:
 - (1) The actual damages sustained by the lessee.
- (2) Punitive damages in an amount of not less than one hundred dollars (\$100) nor more than two thousand dollars (\$2,000) for each retaliatory act where the lessor or agent has been guilty of fraud, oppression, or malice with respect to that act.
- (g) In any action brought for damages for retaliatory eviction, the court shall award reasonable attorney's fees to the prevailing party if either party requests attorney's fees upon the initiation of the action.
- (h) The remedies provided by this section shall be in addition to any other remedies provided by statutory or decisional law.
- SEC. 2. Section 1954.1 of the Civil Code is amended and renumbered to read:

1954.1.

1954.05. In any general assignment for the benefit of creditors, as defined in Section 493.010 of the Code of Civil Procedure, the assignee shall have the right to occupy, for a period of up to 90 days after the date of the assignment, any business premises held under a lease by the assignor upon payment when due of the monthly rental reserved in the lease for the period of such occupancy, notwithstanding any provision in the lease, whether heretofore or hereafter entered into, for the termination thereof upon the making of the assignment or the insolvency of the lessee or other condition relating to the financial condition of the lessee.

5 AB 551

This section shall be construed as establishing the reasonable rental value of the premises recoverable by a landlord upon a holding-over by the tenant upon the termination of a lease under the circumstances specified herein.

SEC. 3. Chapter 2.5 (commencing with Section 1954.1) is added to Title 5 of Part 4 of Division 3 of the Civil Code, to read:

Chapter 2.5. Bed Bug Infestations

1 2

1954.1. The Legislature finds and declares:

- (a) Controlling bed bugs is uniquely challenging, as bed bug resistance to existing insecticidal control measures is significant. Cooperation among landlords, tenants, and pest control operators is required for successful control.
- (b) Tenants, property owners, and pest control operators have distinct rights and responsibilities regarding bed bug infestations.
- (c) Effective control is more likely to occur when landlords and tenants are informed of the best practices for bed bug control.
- (d) Early detection and reporting of bed bugs is an important component required for preventing bed bug infestations. Tenants should not face retaliation for reporting a problem.
- (e) Lack of cooperation by landlords and tenants can undermine pest control operator efforts to identify the presence of bed bugs and control an infestation. Depending on the treatment strategy, it is often critical that tenants cooperate with pest control operators by reducing clutter, washing clothes, or performing other activities. Likewise, inadequate or untimely response or planning by landlords may exacerbate an infestation.
- (f) Specific, enforceable duties of tenants and landlords are necessary so that the failure of a tenant or landlord to cooperate fully does not prevent effective investigation, treatment, and monitoring of all infested and surrounding units.
 - 1954.11. For the purposes of this chapter:
- (a) "Bed bug management plan" means a written plan prepared by a pest control operator for a property. The plan will outline the responsibilities of the landlord and shall be consistent with NPMA best practices and tailored to the conditions at the property. The plan shall include, but is not limited to, the following:

AB 551 -6-

(1) Education of tenants to reduce the risk of introduction of bed bugs to the property and to encourage reporting. Education methods and frequency shall be based on resources of the landlord.

- (2) Housekeeping and building maintenance procedures to help prevent bed bug harborage, including recommendations from a pest control operator about correcting bed bug hiding places and entry points, for example by sealing cracks and crevices in walls, ceilings, and floors, and fixing loose moldings and peeling wallpaper.
- (3) The landlord's process for responding to complaints and a brief statement of the requirements of this chapter.
 - (4) Written documentation of any bed bug treatment program.
- (5) Use of monitoring devices on a proactive basis, routine monitoring inspections by trained employees or licensed pest control operators, if appropriate, as determined by the pest control operator and based upon the resources of the landlord.
- (6) A complaint log that documents compliance with this chapter.
- (b) "Bed bug treatment program" means a program, based on NPMA best practices, for treating an infestation to remove or kill visible and accessible bed bugs and their eggs, either immediately or through residual effects. The program shall be structured to continue until the infestation is controlled.
- (c) "Complaint log" means part of a bed bug management plan that tracks a landlord's ongoing responses to each bed bug report. The complaint log shall include, but is not limited to, verification inspection and inspection of adjacent units, results of inspections, records of notices provided to tenants, unit preparation inspections, treatment type, locations and dates, and follow up inspections.
- (d) "Inspection" means an investigation of the premises, using NPMA best practices to confirm or rule out a bed bug infestation, to identify all infested areas to determine treatment tactics, or to verify that an infestation has been eliminated.
- (e) "NPMA best practices" means best management practices for bed bugs issued by the National Pest Management Association in effect on January 1, 2015.
- 37 (f) "Pest control operator" means an individual with a Branch
 38 2 license from the Structural Pest Control Board.
- 39 (g) "Pretreatment checklist" means unit preparation 40 requirements tailored to the treatment method, consistent with

7 AB 551

NPMA best practices, including, but not limited to, easy-to-understand instructions, pictures, and diagrams, prepared by the pest control operator and provided to tenants by the landlord or pest control operator. The checklist shall include instructions for how to treat tenant clothing, personal furnishings and other belongings, if treatment is required, and shall provide contact information for the pest control operator to answer questions prior to treatment.

1954.12. On and after July 1, 2016, prior to creating a new tenancy for a dwelling unit, a landlord shall provide a written notice to the prospective tenant as provided in this section. This notice shall be provided to all other tenants by January 1, 2017. The notice shall be in at least 10-point type and shall include, but is not limited to, the following:

(a) General information about bed bug identification, behavior and biology, the importance of cooperation for prevention and treatment, and the importance of and for prompt written reporting of suspected infestations to the landlord. The information shall be in substantially the following form:

Information about Bed Bugs

Bed bug Appearance: Adult bed bugs have flat bodies about '\|_4 of an inch in length. They are copper colored and have six legs. Young bed bugs are nearly colorless and are very small, about '\|_{16} of an inch in length. Bed bugs do not fly. They either crawl or are carried from place to place. When a bed bug feeds, its body swells and becomes bright red, making it appear to be a different insect. Bed bugs can be hard to find and identify because they are tiny and try to stay hidden.

Life Cycle and Reproduction: The typical life span of a bed bug is 10 months. They can survive for months without feeding. Female bed bugs lay one to five eggs per day. Bed bugs grow to full adulthood in about 21 days.

Bed bug Bites: Because bed bugs usually feed at night when people are sleeping, most people do not realize they were bitten. Bed bugs do not transmit disease but are a nuisance. A person's reaction to insect bites is an immune response and so varies from person to person. Sometimes the red welts caused by the bites will not be apparent until many days after a person was bitten.

-8-

1 Common signs of bed bugs and symptoms of a possible 2 infestation:

- Small red to reddish brown fecal spots on mattresses, upholstery, or walls.
 - Molted bed bug skins, white, sticky eggs, or empty eggshells.
- Very heavily infested areas may have a characteristically sweet odor.
- Red, itchy bite marks, especially on the legs, arms, and other body parts exposed while sleeping.

More information: See the websites of the United States Environmental Protection Agency and the National Pest Management Association.

- (b) The procedure to report suspected infestations to the landlord.
 - (c) Whether the property has a bed bug management plan.
 - (d) A copy of this chapter.
- 1954.13. A tenant shall not knowingly bring onto a property personal furnishings or belongings that are infested with bed bugs.
- 1954.14. (a) Within seven days after a tenant finds or reasonably suspects a bed bug infestation at a property, the tenant shall notify the landlord in writing of that fact and the evidence of infestation. Evidence of infestation includes, but is not limited to, any recurring or unexplained bites, stings, irritation, or sores of the skin that the tenant knows or reasonably suspects are caused by bed bugs.
- (b) Within three business days after a tenant or a public agency notifies a landlord of an infestation or suspected infestation, the landlord shall retain the services of a pest control operator to verify the tenant's complaint and to conduct an inspection, if determined to be necessary by the pest control operator.
- (c) Entry to inspect a tenant's dwelling unit shall comply with Section 1954. Entry to inspect any unit selected by the pest control operator and to conduct followup inspections of surrounding units until bed bugs have been eliminated is a necessary service for the purpose of Section 1954. Tenants shall cooperate with the inspection to facilitate the detection of bed bugs, including providing requested information to facilitate the detection of bed bugs to the pest control operator.

-9- AB 551

(d) If a pest control operator's inspection confirms that a bed bug infestation exists:

- (1) The landlord shall notify all tenants of units identified for treatment by the pest control operator of the findings of infestation. The notification shall be in writing and made within 48 hours of receipt of the pest control operator's findings. For confirmed infestations in common areas, all tenants shall be provided notice of the pest control operator's findings.
- (2) If further inspections of the affected units or surrounding units are necessary as determined by the pest control operator, based on the NPMA best practices, subsequent notices shall include information about future inspections. Each subsequent entry shall require a separate notice conforming to Section 1954.
- 1954.15. (a) After an infestation is confirmed as described in Section 1954.14, the landlord shall contract with a pest control operator to prepare and implement a bed bug treatment program to begin within a reasonable time. Ten days after the infestation confirmation shall be presumed as a reasonable time.
- (b) At least seven calendar days prior to treatment, the landlord shall provide to the affected tenants with the following:
- (1) A cover sheet from the landlord, in at least 10-point type, disclosing:
- (A) The date or dates of treatment, the deadline for tenant preparation of the unit, and the date, hour, and length of time, if any, the tenant shall be absent from the unit.
- (B) A statement that the tenant may request assistance or an extension of time to prepare the unit, to the extent required by law, to reasonably accommodate a disability.
- (C) A statement that a tenant not entitled to a reasonable accommodation under law may also request an extension of time to prepare the unit.
- (2) A pretreatment checklist with information provided by the pest control operator, which shall be in accordance with NPMA best practices.
- (c) The tenant shall fulfill his or her responsibilities for unit preparation before the scheduled treatment, as described in the pest control operator's pretreatment checklist. Tenants shall be responsible for the management of their belongings, including, but not limited to, clothing and personal furnishings.

AB 551 -10-

(d) Tenants who are not able to fulfill their unit preparation responsibilities shall promptly notify the landlord. For a tenant not entitled to a reasonable accommodation under law who requests an extension of time to prepare the unit, the landlord shall extend the preparation time by three days.

- (e) If an extension of time is provided in order to reasonably accommodate a tenant required under law to receive a reasonable accommodation, or for other tenants as provided in subdivision (d), the landlord shall provide all affected tenants with a notice of the revised dates specified in subparagraph (A) of paragraph (1) of subdivision (a).
- (f) A tenant shall cooperate in vacating his or her unit as notified for treatment purposes and shall not reenter the unit until directed by the pest control operator to do so.
- (g) Inspection of unit preparation and bed bug treatment and posttreatment inspection and monitoring of all affected and surrounding units as recommended by the pest control operator are a necessary service for the purpose of Section 1954. In addition to the cover sheet and any revisions under subdivision (e), the landlord shall provide separate written notice of entry pursuant to Section 1954 for treatments.
- 1954.16. After a bed bug infestation is confirmed by a pest control operator or by a health officer under paragraph (12) of subdivision (a) of Section 17920.3 of the Health and Safety Code, a pest control operator and the landlord shall prepare a written bed bug management plan for the property. This plan shall be made available to tenants upon request.
- 1954.17. It is unlawful for a landlord to rent or lease, or offer to rent or lease, any vacant dwelling unit that the landlord knows or should reasonably know has a current bed bug infestation.
- 1954.18. Service of a three-day notice and filing of an unlawful detainer action to enforce tenant responsibilities under this chapter shall not be considered unlawful retaliation under Section 1942.5.
- 1954.19. A property that is undergoing an active bed bug treatment program in compliance with this chapter shall not, with respect to bed bugs, be considered to be substandard as defined in Section 17920.3 of the Health and Safety Code, to be untenantable as defined in Section 1941.1, or to be in breach of the implied warranty of habitability.

-11- AB 551

1954.20. A landlord or tenant disposing of items infested with bed bugs, including, but not limited to, bedding, furniture, clothing, draperies, carpeting, or padding, shall securely seal the material in a plastic bag that is all of the following:

- (a) Of a size as to readily contain the disposed material.
- (b) Labeled as being infested with bed bugs.

- (c) Furnished as needed to the tenant by the property owner or pest control operator.
- 1954.21. In addition to any other remedies provided by law, a landlord or tenant may sue for injunctive or declaratory relief for violations of this chapter.
- 1954.22. A landlord shall not be liable for any damages due to delays in bed bug treatment and control that are outside the landlord's control.
- 1954.23. (a) Except as provided in subdivision (b), to the end of providing a single, uniform approach to the treatment of bed bug infestations in residential tenancies in California, it is the intent of the Legislature to occupy the field with regard to this subject. Cities, counties, and other local entities are prohibited from enacting a local law on this subject.
- (b) The comprehensive ordinances and regulations of the City and Country of San Francisco regarding the treatment and control of bed bug infestations are deemed to satisfy this chapter and are not preempted.
- SECTION 1. It is the intent of the Legislature to enact legislation that would adopt statewide standards to govern the responsibility of landlords and tenants for the inspection and control of bedbugs in residential rental properties.